

EXECUTIVE DIRECTOR'S MONTHLY REPORT

FEBRUARY 2005

Each month I establish, with input from the Directors, the priority issues on which management and the staff focus. This report summarizes the work that was accomplished during the month as well as other items I feel will give the Council a better understanding of what the staff and I are doing to accomplish our performance objectives.

I. Improve the efficiency and accountability of management within the organization

- On January 18, 19, and 20th, FHWA and FTA conducted SCAG's certification review. A formal report will be done and distributed to SCAG. We are not sure of the time frame for the final report, however, they did share some of their preliminary findings.

SCAG was commended for their proactive dialogue during the RTP and TIP process with the Transportation Commissions and stakeholders during the state budget crisis. SCAG will be cited for not having agreements with the transit operators. However, it was noted that there has been confusion regarding the need for individual agreements. FHWA and FTA made three recommendations. They were to develop a citizen's guide for public involvement, try to develop environmental justice measures for freight and rail, and to continue efforts related to agency coordination.

II. Provide support to the Regional Council in providing direction and Leadership to SCAG

- On January 12th I and Arnold San Miguel attended the IVAG Management Meeting in El Centro. While there I met with Roberta Burns, CEO of Imperial County. At both meetings I discussed the costs and implications of the MPO discussion that was scheduled for the IVAG General Assembly held on January 27th that Jim Gosnell attended. The resolution passed by the Regional Council and President Robert's letter were distributed. The General Assembly expressed the following: SCAG had in general provided adequate service but could improve; and, further, IVAG staff should continue its evaluation of the MPO issue.
- On January 13th I had a series of meetings in Sacramento. I met with Senator Alan Lowenthal, Brian Kelly of Senator Perata's office, Mike Brown, the new CHP Commissioner, and Allan Zarembek, CEO, California Chamber of Commerce. Mike is interested in working with SCAG on technical issues related to truckways and carpool strategies for using the carpool lanes during non-peak hours.
- On January 21st I attended a conference at the Mission Inn in Riverside on Smart Growth on the Edge: Suburban Planning and Development for the Next 20 Years. The conference was hosted by the Edward J. Blakely Center for sustainable Suburban Development at the University of California, Riverside, the Metropolitan Institute at Virginia Tech and the Urban Land Institute. I participated in a panel titled "The Booming, Busting Edge: Suburbs at Build Out". We discussed the issues of fast growing suburbs, with a special emphasis from me on how such growth affects, and is affected by, the region in which the

suburb is located. David Warren, Blakely Center was the moderator, and other panelists included Christopher Leinberger, Arcadia Land, Manuel Pastor, University of California-Santa Cruz, and Linda Fernandez, University of California-Riverside.

- On January 24th I was a speaker at the Urban Water Management Plan 2005 Workshop at the Riverside Convention Center. My panel was titled “New Growth and the 2005 Management Plans”. James Noyes, Chairman of Urban Water Institute was the moderator. Other panelists included Debra Man, Chief Operating Officer, Metropolitan Water District and Anthony Pack, General Manager of Eastern Municipal Water District. The major issue discussed on the panel was the potential impact of Compass and the 2% strategy on future water consumption.

III. SCAG Operations

- Training. The California JPIA provided in-house training to SCAG staff on writing skills.
- Recruitments. The Director of ISD recruitment process is complete. There are four planning positions and two member relations positions open.
- Evaluations. Mid-year evaluations were completed and provided to employees in January and into mid-February.
- New Master Fund Transfer Agreement. We have received the fully executed new Master Fund Transfer Agreement with Caltrans. The agreement was effective as of January 1, 2005. The agreement reflects the changes which SCAG had sought to limit the ability of Caltrans to terminate the agreement.
- New Proposed Planning Memorandum of Understanding with Caltrans. In calendar year 2004, Caltrans began a statewide effort to update Memorandums of Understanding which Caltrans has with the MPOs regarding the overall coordination of transportation planning. SCAG’s MOU with Caltrans was entered into in 1988. Staff as a part of the process has submitted initial comments on the standard form MOU which Caltrans has circulated to all the MPOs. We are waiting a response from Caltrans on our comments.
- Phase II of the Office Improvements has been completed. This included painting of our interior office spaces.

IV. Implement Adopted Regional Plans

- MAGLEV. Interviews were conducted to select a consultant for the High Speed Ground Transportation Alternatives Analysis along the IOS. A Protest has been filed over the consultant selection process. We have asked Fulbright & Jaworski to act as the hearing officer and we anticipate that a decision will be made sometime in February.

Consideration of the draft MOU on the IOS between the City of Los Angeles, City of Ontario and SANBAG was deferred by the Maglev Task Force in order to allow for further clarification of issues relating to the management of the consultant’s work. Staff will report back to the Maglev Task Force at their February meeting.

- Goods Movement. Staff continues to collaborate with other stakeholders on critical goods movement issues. SCAG elected officials have been briefed on the Goods Movement White Paper prepared for Business, Transportation & Housing Secretary Sunne McPeak, who is conducting follow-up meetings with the principals. Key issues addressed in this white paper include the urgent need for new infrastructure combined with mitigation of community impacts and development of new financing and project delivery mechanisms. Through the follow-up meetings, staff is working with the goods movement principals (public and private) to develop consensus on issues such as accelerating environmental reviews and identifying key infrastructure projects.

To help build a common understanding of goods movement issues in the private and public sectors, SCAG will host a Goods Movement Executive Stakeholder Roundtable on February 7th. This meeting will involve presentations on current SCAG studies of the potential for user fees in relation to the elasticity of demand for services at the San Pedro Bay ports, and the sharing of information from private-sector representatives such as the National Industrial Transportation League.

- COMPASS. The Compass Consensus Building program is well underway. Numerous outreach presentations have taken place throughout the region. Audiences have included the Los Angeles County League of Women's Voters, El Centro Rotary Club, Redlands Conservancy, Torrance Chamber of Commerce, Orange County Technical Advisory Committee, and many others.

The Compass collaboration between SCAG, APA and ULI is coalescing around participation in an upcoming UCLA conference on Smart Growth in May 2005. This is an exciting opportunity to showcase the Compass tools and resources intended to promote the program and to further the goals of land use and transportation integration.

- Regional Economic Analysis. Staff completed its joint economic and social indicators report in conjunction with IVAG and the California Center for Border and Regional Economic Studies (CCBRES), the first "State of the County" report ever produced for Imperial. The report, which was presented on January 27, 2005 at the 6th annual Imperial Valley Economic Development Summit and distributed at IVAG's General Assembly, was the pilot project in the Community Development Division's Subregional Economic Strategies" work program. This program is intended to develop a better understanding of the economic potential of selected SCAG subregions and to assist public and private sector planners in developing more effective approaches to economic development using central SCAG resources.
- Regional Transportation Plan. There are several issues that could potentially require an amendment or early update of the 2004 RTP. First, the proposed state budget continues to suspend Prop. 42 dollars for transportation purposes. Second, additional half cent sales tax in Los Angeles County, which was part of the 2004 RTP funding strategy has not moved forward as anticipated. Add to this, Orange County Transportation Authority (OCTA) is in the process of evaluating potential options for the Center Line project, which is a Transportation Control Measure (TCM). Furthermore, OCTA is also considering taking a ballot measure to extend Measure M (local sales tax measure) to the voters in November of 2006. These issues may warrant amending the 2004 RTP or expediting the RTP Update process in order to ensure maintaining integrity of the plan as well as associated transportation conformity. Staff is

working to further assess and monitor these issues and report back to you with a more specific recommendation on whether or not an amendment or an early update of the 2004 RTP would be needed. Staff anticipates bringing a specific recommendation to the Transportation and Communications Committee (TCC) and the Regional Council in March of this year.

- Housing. Paul Nowatka, Council member, City of Torrance, volunteered to participate again on the Steering Committee for the 5th Annual Housing Summit. Others expressing an interest in serving were Mary Ann Lutz, Council member, City of Monrovia, Kathryn McCullough, OCCOG Subregion, and Daniel Arquello, Council member, City of Alhambra. The event is being planned for the Spring of 2005.
- Forecasting. The Community Development and Forecasting staff worked together with Transportation Modeling Division and Transportation Analysis and Programming Division and completed the 2007 RTP Growth Forecast Update Process flow chart and time line. Staff has started to schedule presentations of the 2007 RTP growth forecast update process to technical advisory committees, subregion coordinators and Community and Economic Development Committee.

Forecasting staff started to evaluate the 2004 RTP growth forecast at regional and county levels with the most recent Bureau of Labor and Statistics' employment projections and Census population projections.

V. Develop Additional Planning Efforts

- Air Quality and Transportation Conformity. Staff continues to work with our partner agencies to fulfill our air quality requirements. On January 5, 2005, SCAG sent updated draft transportation activity data to the California Air Resources Board (ARB) to support the development of the next generation of California's transportation emission factors, which will be incorporated into the 2007 Air Quality Management Plans/State Implementation Plans. On January 18th SCAG released the region's Draft 8-hour Ozone Conformity Determination for a 30-day public review and comment period, which will close on February 18th. On January 19th SCAG convened a workshop with the Port of Los Angeles, the Port of Long Beach, the California Air Resources Board, and South Coast Air Quality Management District to explore opportunities to achieve attainment of federal air quality standards in the face of rapid growth of goods movement in Southern California. SCAG staff presented a preliminary, sketch-scenario evaluation that indicates it appears feasible to attain federal clean air standards and accommodate projected port growth if we fully implement the control measures and infrastructure identified in the "Southern California Regional Strategy for Goods Movement: A Plan for Action."
- Water Issues. Staff organized a January 31 briefing on groundwater management for stakeholders in the Antelope Valley. The General Manager of the Orange County Water District introduced the attendees to the policy, legal and administrative systems successfully used in the management of a non-adjudicated groundwater basin. This path was identified as an alternative to a time-consuming and expensive adjudication, a path taken in the nearby Mojave Basin. Another focus of the meeting was a presentation on water recycling and its development in West Basin Water District's facilities.

VI. Data

Performance Assessment and Monitoring

- 2004 State of the Region Report. Staff has completed the 2004 State of the Region Report. The complete Report and the Report Card will be provided at the February 3, 2005 Regional Council meeting. The press conference on the 2004 State of the Region has also been scheduled on February 3, 2005, between 11:00 am and 12:00 pm at SCAG offices (Imperial Conference Room).

VII. Legislative Program

- RHNA Reimbursement. The Commission on State Mandates is reviewing the issue of whether or not MPOs/COGs are entitled to reimbursement from the state. SCAG has participated in the proceeding in coordination with CALCOG and other MPOs in urging that the Commission continue to determine that the RHNA costs are in fact reimbursable. The Commission staff has recently released for comment its draft analysis which takes the position that the RHNA costs are not reimbursable because COGs do not have the authority to tax and the COGs now have the authority to charge fees for RHNA, therefore there is no unfunded mandate.
- Consensus Program. On February 16th and 17th, SCAG will lead a third annual visit of Southern California's transportation stakeholders to Washington, DC in support of the Southern California Consensus Program for TEA-21 Reauthorization. I will join President Ron Roberts, First Vice President Toni Young, and others in bringing the region's message about our shared transportation goals to Congress and the Administration. We look forward to making a strong and positive impact with the assistance of our transportation planning partners from Imperial County, MTA, Metrolink, OCTA, RCTC, SANBAG and VCTC.

The timing of the consensus program advocacy trip corresponds perfectly with House Transportation and Infrastructure Chair Don Young's projections on January 26th that the House will take up a reauthorization bill during the week of March 7th. Congressman Young suggested the bill would be "a little bit more" than last year's House-approved version. That bill, TEA-LU, included \$284 billion in spending authority and \$279 billion in guaranteed funding over six years. The Senate timeline for a reauthorization measure is not yet decided, but will also likely be early in the year.

- Legislative and Public Hearings. In support of SCAG Legislative Program, I testified twice this month on the goods movement issues that so strongly affect the SCAG region. On January 7th, I addressed the Joint Labor Committees at the Port of Los Angeles in connection with the Committees' review of the working conditions of independent trucking contractors at the ports. I also presented testimony along side Regional Councilmember Tonia Reyes Uranga at a public hearing on goods movement conducted by the Business, Transportation and Housing Agency in Los Angeles on January 27th. As the question of the burgeoning logistics industry draws more attention among policy makers due to the increased trade volumes passing through Southern California, SCAG's message on goods movement is being heard more clearly than ever and I will continue to deliver it to lawmakers and key officials in Sacramento and Washington.